



Milk Pricing

NEWSLETTER

Dairy Marketing Branch, CDFA

December 2001

ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR JANUARY 2001

The commodity prices per pound for butter and nonfat dry milk decreased less this month, resulting in a less than one cent per gallon decrease in price for whole, lowfat, reduced fat, and nonfat milk.

This month showed increased levels of butter and cheese production, however with the slow economy, butter and cheese sales continued to decline. It does not appear that the approaching holiday season will greatly impact sales, and it is predicted that the new year will bring a continued decline in demand.

Minimum Farm Prices for Various Fluid Milks by Container Size for January 2001

	Gallon	1/2 Gallon	Quart	Skim - 0.7¢	1/3 Quart	1/2 Pint
Northern California						
Whole Milk	\$1.162	\$0.581	\$0.296		\$0.097	\$0.073
Reduced Fat (2%)	\$1.070	\$0.535			\$0.089	\$0.067
Lowfat (1%)	\$1.018	\$0.509			\$0.085	\$0.064
Nonfat (Skim)	\$0.773	\$0.386			\$0.064	\$0.048
Southern California						
Whole Milk	\$1.185	\$0.592	\$0.296		\$0.099	\$0.074
Reduced Fat (2%)	\$1.094	\$0.547	\$0.273		\$0.091	\$0.068
Lowfat (1%)	\$1.042	\$0.521	\$0.260		\$0.087	\$0.065
Nonfat (Skim)	\$0.797	\$0.399	\$0.199		\$0.066	\$0.050

Price Changes from the Previous Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.009-	\$0.004-	\$0.002-	\$0.001-	\$0.001-	\$0.001-
Reduced Fat (2%)	\$0.008-	\$0.004-	\$0.002-	\$0.001-	\$0.001-	\$0.001-
Lowfat (1%)	\$0.008-	\$0.004-	\$0.002-	\$0.001-	\$0.001-	\$0.001-
Nonfat (Skim)	\$0.007-	\$0.003-	\$0.002-	\$0.001-	\$0.001-	\$0.000

California Department of Food and Agriculture

William (Bill) Lyons Jr., Secretary

Robert "Tad" Bell, Undersecretary

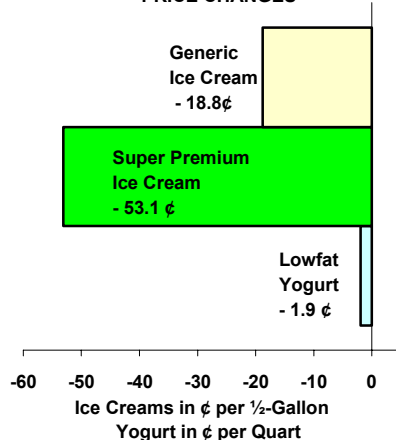
Daniel E. Webb, Deputy Secretary; Valerie Brown, Deputy Secretary

Vanessa Arellano, Assistant Secretary

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Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

December-January
PRICE CHANGES



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

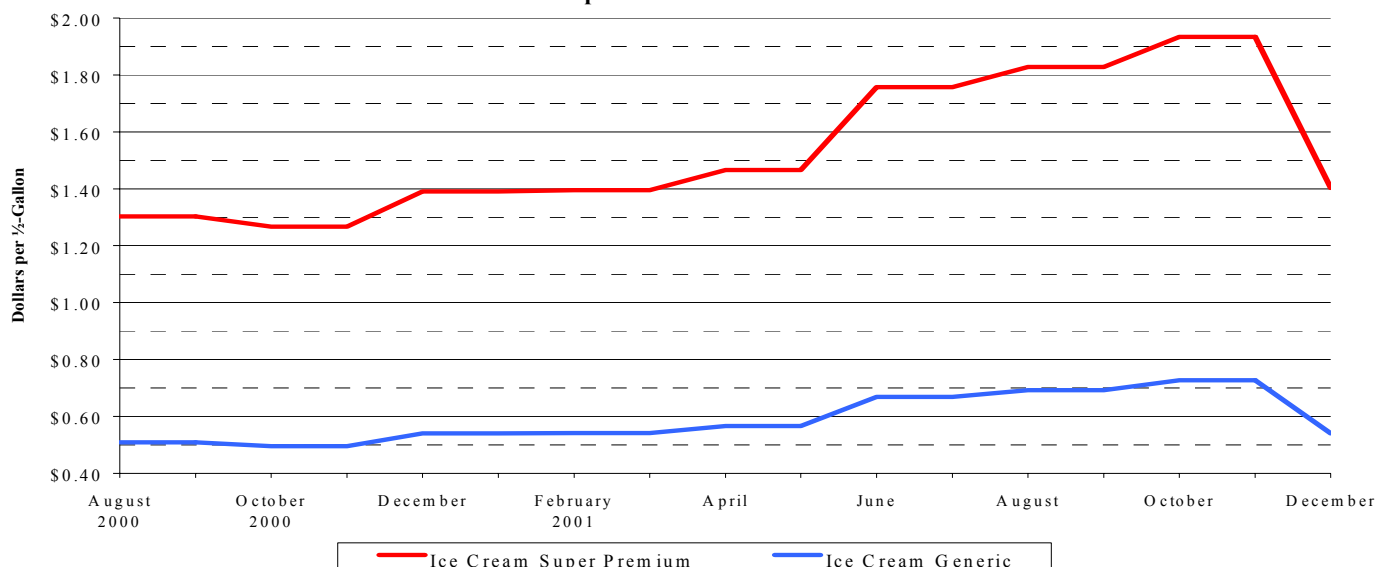
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
August	\$0.24	\$1.83	\$0.69	\$1.90	\$1.52
September	\$0.24	\$1.83	\$0.69	\$2.01	\$1.55
October	\$0.24	\$1.93	\$0.73	\$1.35	\$1.23
November	\$0.24	\$1.93	\$0.73	\$1.19	\$1.06

Price Change from the Prior Pricing Period^{2/}

August	\$0.00	\$0.07	\$0.02	\$0.13	\$0.03
September	\$—	\$—	\$—	\$0.11	\$0.03
October	\$0.00	\$0.10	\$0.04	\$0.66-	\$0.32-
November	\$—	\$—	\$—	\$0.16-	\$0.17-

Farm Component of Ice Cream Prices



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